



Joan Walters
Director

Illinois Department of Public Aid

Prescott E. Bloom Building
201 South Grand Avenue East
Springfield, Illinois 62763-0001

February 27, 1998

Ms. Gina Clemons
Illinois Project Officer
Health Care Financing Administration
Office of Research and Demonstrations
Mail Stop C-3-18-26
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Dear Ms. Clemons:

Attached are the Department of Public Aid's responses to your Title XXI State Plan questions. As promised in our conference call on Thursday, February 26, 1998, we have sent a written answer to each question, although that was not required.

If you have any questions, please contact me at (217) 782-2570.

Sincerely,

A. George Hovanec
Administrator
Division of Medical Programs

ILLINOIS TITLE XXI PROGRAM
Questions for Discussion - February 26, 1998

Section 1. General Description and Purpose of the State Child Health Plans

1.2 You indicate that the Title XIX plan amendments required to effect the changes proposed in the Title XXI program will be submitted under separate cover. What is the status of this submittal?

The Title XIX state plan amendment pages have been completed and were faxed to HCFA Region 5 on February 23, 1998.

Section 2. General Background and Description of State Approach to Child Care Coverage

2. Pregnant Women (p 4) - Please confirm that enhanced match is not being sought for the expansion for pregnant women up to 200 percent of the Federal Poverty Level.

Illinois is not seeking enhanced match for pregnant women who are, since January 5, eligible up to 200% of the federal poverty level.

2.1 Estimated Eligibility Chart (p.3) - The chart breaks down the number of potentially Medicaid-eligible children in Illinois. The text of the plan indicates that the Title XXI expansion will include children up to age 19 while the chart only contains information up to age 17. Please explain this inconsistency.

The chart on page 3 contains information through age 17, or up to age 18. It estimates the number of optional targeted low income children and the number of potentially Medicaid-eligible children by age and family income as a percentage of the federal poverty level. These estimates were derived by aggregating the 1993 through 1996 Current Population Surveys and cross-tabulating age (in single years) by income. The Current Population Survey provided information for children only through age 17. Thus, the 18 year old age cohort was not included in the estimated number although the State intends to cover 18 year olds who meet the program's eligibility requirements.

2.2.1 Family Case Management Program (p.5) - Will additional staff, equipment, etc. be necessary to provide these outreach and case management services to the expansion population? If so, how will these costs be absorbed as it does not appear that you have allocated funds for these services?

We intend to focus Children's Health funds on direct services, not administrative costs. We will redirect current outreach and case management efforts. There will be some additional staff, equipment and administrative costs to provide outreach and case management services to the expanded population. However, these costs will be minimal and will be absorbed within current funding. We have already accomplished expanded outreach by increasing the number of sites that take MCH-Medical Assistance Applications from 95 to 241. Also, many of these newly eligible children are in families that we are already serving. For these reasons we do not expect a big increase in outreach and case management spending.

2.2.2 Suburban Cook County Access to Care Program (p. 7) - From the description, this program appears to provide services and not insurance to uninsured and underinsured. Can you please confirm this understanding to be accurate?

Yes.

2.3 Crowd-Out (p.8) - It is indicated that procedures currently employed in the Illinois Medicaid program will be used for the identification of third party liability. We assume that the purpose of this identification is for determining insurance status, not available resources for coordination of payment. Can you please confirm this assumption to be accurate? Further, as the program is expanded in Illinois, are there intentions of including more "crowd-out" provisions, as it is our understanding the Phase II may include a non-Medicaid program?

Services to children found to have insurance will be entirely supported with state General Revenue funds. Illinois will use procedures in place to identify families with third party liability. This information will be used to identify insurance status and thereby remove spending for these children from our FFP claim as well as to coordinate payments. Illinois would be interested in knowing if these children could be claimed under Title XIX.

Our approach to crowd-out in Phase II of our Title XXI program is still being developed.

Section 5. Outreach and Coordination

5.1 Outreach P.12) - On page 4 you indicated that reason was not found to target children with regard to race, ethnicity, and geographic location. In the absence of this data, how will you be able to target outreach to individuals with special needs, such as non-English speaking individuals? Further, what specific functions will be performed by the offsite enrollment sites and

who will be performing these functions; specifically, eligibility determination?

Each county in the State has at least one agency responsible for providing outreach services to locate potentially Medicaid-eligible children and pregnant women and refer them for eligibility determination. Most of these agencies are local health departments which are familiar with these low-income, non-Medicaid families. Most of these agencies have been certified by the state to assist clients in completing the MCH Medical Assistance application at offsite locations. These agencies have linkages with other entities within their area to coordinate referrals of special needs populations, such as non-English speaking individuals, migrant workers or children with special health care needs. The outreach performed varies from area to area to meet the needs of each area.

The offsite locations will not determine eligibility. That function is limited to the local Department of Human Services (DHS) offices. All offsite locations, (241), have been trained on the Medicaid program and taking Medicaid applications. The offsite locations are responsible for increasing awareness about the program, assisting potentially eligible clients in completing the application, and forwarding the application to the appropriate local DHS office for eligibility determination.

5.2 Simplified Application Process (p. 14) - On page 12, number 2, and again on page 14, the development of a simplified application process is mentioned. Additional details are necessary. As example: When will this be developed? What will be the content? How will it be administered? At what locations will it be available? Will it be available by mail? Etc.

The MCH Medical Assistance application has been developed. It is attached. It is administered by offsite locations that have been trained by the Department. Those sites include: participating local health departments; Federally Qualified Health Centers and Rural Health Clinics; Women, Infants and Children (WIC) agencies, hospitals and family planning clinics. The MCH Medical Assistance application is not available by mail to the client. The Department requires that the applications be completed at offsite locations and sent to DHS offices. However, should a client mail-in an application for Medical Assistance, a determination of eligibility will occur.

Section 9. Strategic Objectives and Performance Goals for the Plan Administration.

9.2 Performance Goals (#1. P. 23) - Please redefine the goals in quantifiable terms to allow for an evaluation of the performance, with the establishment of baseline data.

- 1. Improve the health status of Illinois' children.**

1.1 Reduce the infant mortality rate. In Calendar Year 1996, the Illinois infant mortality rate (statewide) was 8.4 per 1,000 live births .

1.2 Reduce the prevalence of childhood lead poisoning exceeding 25 mcg/dL. The federal fiscal year 1997 prevalence of childhood lead poisoning exceeding 25 mcg/dL was:

Medicaid:	1,665/ 71,243 (2.3%)
Non-Medicaid:	2,327/109,960 (2.1%)
All:	3,992/181,203 (2.2%)

1.3 Reduce school absenteeism in grades K-8.

The Illinois State Board of Education's (ISBE) Annual Report for the 1995-1996 school year showed 6.989 percent absenteeism in the public school system (all grades). Absenteeism rates are not currently available by grade level at ISBE but could be available by school district, if ISBE is able to get cooperation from the school districts. The Department is working with ISBE on the development of an evaluation method to enlist individual school district support in establishing a baseline for school absenteeism which identifies grade specific absenteeism and the reason for the absenteeism. If this information can be obtained, the Department will request that ISBE develop a system to track this information. If the Department is unable to capture a refinement of the currently available data, this performance goal may be dropped.

9.2 Access to Quality Health Care (#3, P. 24) - What evidence currently exists to support that there is sufficient access (geographic, timely, culturally sensitive, etc.) to primary care providers and specialists (including dental, behavioral health, etc.) to support the proposed expansion? In addition to access measures, are there plans to determine enrollee satisfaction with the program (e.g. satisfaction survey)?

The Department is expanding its managed care delivery system and will offer this population the choice of managed care. In order to be an acceptable managed care provider for Medicaid, the managed care entity must demonstrate sufficient access to a network of providers that delivers comprehensive health, behavioral health and health-related services.

In 1995, Illinois had 3,273 physicians participating in the MCH program. In recent years we have seen a reduction in Medicaid eligible persons, including children and an increase in the number of providers. This data indicates that access is improving. There are some

areas in the state where access could be improved but these are primarily in rural areas where access to medical care is an issue for all residents. In a State Plan Amendment approved by HCFA on August 27, 1997, Illinois demonstrated that pediatric and obstetrical services were available to Medicaid fee-for-service clients at least to the extent that they were available to the general population in a geographic area. In fact, in many of the State's regions, all available providers were enrolled in the Medical Assistance program. As a percentage of the 1 million plus children receiving Medical Assistance benefits during the fiscal year, the 40,400 new children do not appear to be enough to adversely impact access to care.

Enrollee Satisfaction: Each managed care entity is required to perform a customer satisfaction survey of its beneficiaries. The Department's Bureau of Quality Control performs a customer satisfaction survey for the clients who receive services under the fee-for-service program. Clients who are enrolled in the Title XXI expansion will be included in these surveys.

9.3 Baseline Data (p. 25) - Please provide specific information regarding how the baseline will be established for each performance goal including the data source, timing, and validation.

The State is still determining baselines for the performance goals. We have identified the following data systems and relevant variables that will aid us in setting baselines and measuring progress.

- ▶ Illinois Department of Public Health Immunization Tracking System - immunization rates
- ▶ Illinois Department of Public Health Vital Records Database - infant mortality, low birthweights
- ▶ Illinois State Board of Education Annual Report - absenteeism
- ▶ Illinois Health Care Cost Containment Council Reports - admission rates for ambulatory sensitive conditions
- ▶ DPA Medicaid Claims Databases - access information, services for certain conditions, analysis of certain HEDIS measures, EPSDT participation rates
- ▶ DPA Client Information System - Medicaid enrollment
- ▶ Illinois Population Survey - insurance status
- ▶ Illinois Department of Public Health Childhood Lead Poisoning Prevention Program - lead poisoning prevalence

Reports will be produced to evaluate each goal's outcome.

9.4 Data and Systems (p. 27) - Although we are aware that State staff has been in contact with the Chicago Regional Office, as a reminder, the PA requirements are not waived as a result

of this application. In essence, any enhanced Federal funding of systems require prior approval by the RO.

9.5 Quality Control Mechanisms (p.28) - Please summarize the quality control mechanisms in place in the current Medicaid program that will be employed under the Title XXI program.

Managed Care

For clients enrolled in managed care, the Department establishes and provides monitoring and oversight to ensure that quality control requirements are met. Managed Care Entities (MCEs) are required to have a quality assurance system in place that focuses on quality improvement. System activities include:

- **collecting systematic data on performance and patient results;**
- **monitoring health care services through medical records review, clinical studies, physician peer review, and monitoring of health outcomes**
- **developing and monitoring health education and outreach for clients;**
- **establishing and monitoring Member Services to handle client issues;**
- **establishing mechanisms for preauthorization and review of denials;**
- **monitoring access standards;**
- **monitoring fraud and abuse;**
- **establishing and monitoring a client grievance and complaint resolution system;**
- **evaluating client satisfaction;**
- **providing information to providers, evaluating provider satisfaction and resolving provider concerns**
- **establishing procedures for ongoing quality improvement with written procedures for taking appropriate remedial action and correcting deficiencies.**

The department established quality control mechanisms in place for managed care includes ongoing monitoring of the managed care entities' compliance with precise contract requirements relative to areas such as: covered services; service delivery; provider network; access standards; health education and outreach; pharmacy formulary; linkages to other services; records requirements; care standards; reporting to the department on encounters and quality assurance/improvement activities; marketing; member services; health outcomes including measuring HEDIS indicators; minimum required performance standards; and financial stability. The department intends to release a Request for Proposals to procure a Quality Assurance Organization Contractor to assist the department in managed care quality oversight. It is envisioned that the Contractor's responsibilities include but are not limited to medical records review, technical assistance, health outcome

analysis and quality assurance monitoring of each managed care entity.

Fee-For-Service

The fee-for-service Medicaid system has many quality assurance mechanisms. Most are listed below. Through these mechanisms, quality problems are identified and addressed. In some cases, providers are asked to prepare quality improvement plans.

- 1. Staff from the Division of Medical Programs are constantly looking for provider abuses of the Medicaid system. Such abuses are referred to the Bureau of Medical Quality Assurance (BMQA) for review.**
- 2. BMQA has many tasks to assure medical quality.**
 - a. Face-to-face client surveys regarding quality of care and access to care.**
 - b. Investigations of referrals from: within DPA; the Department of State Police; the Department of Public Health; and from the state's peer review organization.**
 - c. Audits of providers who fall outside accepted norms for claims activity.**
 - d. Peer review coordination of medical necessity and over-utilization issues.**
- 3. The state's Medical Management Information System (MMIS) includes many edits to prevent abuse and excessive billings. New ones are created regularly.**
- 4. DPA operates a toll-free hotline for clients to report any problems or concerns they may have.**
- 5. Informed choice for hysterectomies, abortions and sterilizations is assured by client choice forms completed before the procedure is approved/performed.**
- 6. The Department's peer review organization, CIMRO, conducts prepay and postpay medical records reviews on certain hospital inpatient and outpatient claims.**
- 7. Special reviews are conducted on pharmacy claims to identify duplicate therapy, refill-too-soon, potential drug interactions, and abnormal dosages. Prior approval is required for high risk medication and drugs likely to be abused.**
- 8. Prior approval is required for durable medical equipment and many medical supply items.**

9.9 Public Notice (p. 30) - the plan indicates that several public meetings have taken place regarding the Illinois Title XXI program; however we have heard from advocates that during these meetings information was presented but that there was no real opportunity for public input into the program design. As you move into Phase II of your program design, can you please elaborate on the task force and how you will ensure on-going public involvement?

The Legislative Task Force on Children's Health has been meeting to develop the second phase of Illinois' Title XXI program. The Task Force has the following members:

**Steven J. Rauschenberger, State Senator
Dave Syverson, State Senator**

**Margaret Smith, State Senator
Donne E. Trotter, State Senator
Mary E. Flowers, State Representative
Carol Ronen, State Representative
William E. Brady, State Representative
Carolyn H. Krause, State Representative
Valerie Brooks, Senior Assistant, Governor's Office
Steve Schnorf, Director, Bureau of the Budget
Joan Walters, Director, Department of Public Aid
Howard A. Peters III, Secretary, Department of Human Services
John R. Lumpkin, M. D., Director, Department of Public Health
Madelynne Brown, Assistant Director, Department of Insurance
Robyn Gabel, Illinois Maternal and Child Health Coalition
Felicia Norwood, Aetna U. S. Healthcare
Ruth Rothstein, Cook County Bureau of Health Services
John Schmidt, M. D., Illinois State Medical Society
Jerome Stermer, Voices for Illinois Children**

Ongoing public involvement will be a part of Phase I of Illinois' Title XXI program through the advisory committees and other groups that participate in the Medicaid program. Other public involvement activities for Phase II will be explained in the Title XXI plan amendment that will describe the Phase II program.

9.10 Budget (p.33) - Please provide the assumptions upon which this budget is built. Specifically, what are the categories of service for the Medical Services Component and the underlying assumptions used to derive the estimates? What is the source for the State General Revenue Fund? Are there any private funds included? It does not appear that funds have been allocated for outreach, administration, or evaluation. How will these functions be funded? Can these new activities be absorbed without additional spending?

Attached is a summary of the assumptions used to calculate medical services spending for the expanded population. All costs will be appropriated from the General Revenue Fund. Also attached is Table II-B from the Fiscal Year 1999 Illinois State Budget. This table shows General Funds revenues by source and shows an increase in state sources of close to \$1 million.

Response to HCFA Question 9.10

The following steps were taken in constructing the estimated budget for KidCare:

1 FY95 statewide fee-for-service data was gathered for children who received AFDC grants for the following categories of service.

- Physician's Services
- Dental Services
- Optometric Services
- Podiatry Services
- Chiropractic Services
- Nursing Services
- Physical Therapy Services
- Occupational Therapy Services
- Speech Therapy/Pathology Services
- Audiology Services
- Anesthesia Services
- Inpatient Hospital Services (General)
- Inpatient Hospital Services (Psychiatric)
- Inpatient Hospital Services (Rehabilitation)
- Outpatient Hospital Services (General)
- Clinic Services (General)
- Clinic Services (Psychiatric Type A)
- Clinic Services (Psychiatric Type B)
- Clinic Services (Physical Rehabilitation)
- Healthy Kids Services
- DASA Services
- Pharmacy Services
- Medical Equipment/Prosthetic Devices
- Clinical Laboratory Services
- Optical Supplies
- Medical Supplies
- Emergency Ambulance Transportation
- Non-Emergency Ambulance Transportation
- Medicar Transportation
- Taxicab Transportation
- Service Car Transportation
- Automobile Transportation

Other Transportation
Psychologist
Other

- 2 This data was divided into various age classifications and trended forward to FY98, using an inflation factor of 1.0313, yielding the following average PMPMs.

AGE	PMPM
0-5	\$124.91
6-13	\$ 40.01
14-18	\$107.79

- 3 Estimates on the number of individuals in each age category eligible for the new program were based on the Current Population Survey.

- 4 This program covers all 0-18 up to 133% FPL who would not have been eligible for Medicaid using the standards in effect on March 31, 1997.

- 5 40,400 children in total were estimated to eventually be covered by this program. the composition of this figure is as follows:

Age	Number
0-5	0
6-13	17,500
14-18	22,900

- 6 A six month phase-in starting in January, 1998 and reaching maximum enrollment in June, 1998 was assumed.

- 7 The FY98 PMPMs were applied to the resulting estimated participants in each month during FY98. The PMPMs were then inflated 1% and applied to the assumed full enrollment during the entire FY99 period.

Also:

State funding for this program is entirely GRF (no "other" funds).

These numbers do not include estimates for costs associated with outreach, administration or evaluation. The state will absorb the cost of these activities within current spending levels.



ILLINOIS DEPARTMENT OF HUMAN SERVICES
MATERNAL AND CHILD HEALTH - MEDICAL ASSISTANCE APPLICATION

APPLICANT: This is an application for medical benefits for children under age 19, pregnant women, or families. If you want money or food stamps, you must file a different application at your local Department of Human Services (DHS) office.

PROVIDER USE ONLY				DHS USE ONLY
Today's Date _____	Contact Person _____	Phone Number _____	Fax Number _____	Date Stamp _____
Provider Name _____	Provider # _____			
Provider Address _____	City _____ State _____ Zip _____			

APPLICANT DO NOT WRITE ABOVE THIS LINE

Please print or type in ink. If more space is needed to answer any question, please attach an extra sheet.

1. Last Name of Applicant _____		First Name _____	Middle Initial _____	Maiden Name _____
2. Present Address _____		City _____	State _____	
Zip Code _____	County _____	Home Phone _____	Work Phone _____	
If you do not have a phone, please name a contact person: _____		Phone No. _____		
Mailing address, if different from above _____		City _____	State _____	Zip _____
3. Marital Status of Applicant: Single _____ Married _____ Separated _____ Divorced _____ Widowed _____				
4. Language Preference: English _____ Spanish _____ Other (Specify) _____				
5. Race or Ethnic Group. (This information is optional. It will not affect your eligibility.) White _____ Black _____ American Indian or Alaskan Native _____ Asian or Pacific Islander (Includes Indochinese Ancestry) _____ Hispanic (Includes: Mexican, Puerto Rican, Cuban, or other South American culture) _____ Other _____				

6a. Please list all persons (including yourself) who live with you applying for medical assistance.

Name Last Name, First Name, M.I.	Sex	Birth Date Mo. Day Yr.	Place of Birth	Social Security Number	Relationship to Applicant	Attends School Y or N	Illinois Resident Y or N	U.S. Citizen Y or N

6b. For persons living with you but not applying for medical assistance, give the name, social security number and relationship.

Name	Relationship	Social Security Number

7. Are you willing to verify the immigration status of the person(s) applying for medical assistance who are not U.S. Citizens? Yes ___ No ___

8. For each absent parent of a dependent child, please give the name of the child, absent parent, and the last known address of the absent parent.

Child	Absent Parent	Address
Child	Absent Parent	Address
Child	Absent Parent	Address
Child	Absent Parent	Address

9. Has anyone listed in #6 applied for or received cash or medical assistance in Illinois? Yes ___ No ___ If yes, name the person and type.

Person _____ Type of Assistance _____

10. Is anyone in your household who is applying for medical assistance, blind, disabled or pregnant? Yes ___ No ___

If yes, who _____ Date expected to end _____

If pregnant, expected delivery date _____ If pregnant, is this a multiple birth? Yes ___ No ___ If yes, how many? _____

11. Did anyone receive medical care in the 3 months before the month of this application? Yes ___ No ___ If yes, enter the

month(s) _____ If yes, do you want help to pay for these bills? Yes ___ No ___

12. Is anyone listed in #6 currently employed? Yes ___ No ___ If yes, complete the following for each person over age 14 who is currently employed.

Name _____ Position/Title _____

Employer Name (if self-employed, enter self) _____

Address _____ City _____ State _____ Zip Code _____

Number of hours worked weekly _____ How often paid _____ How much \$ _____

Is medical insurance available from employer? Yes ___ No ___

13. Does anyone pay for someone to care for a child so they can work? Yes ___ No ___ If yes, how much \$ _____

How often _____ For whom _____

Who pays for child care? _____ Who provides the care _____ Relationship _____

Address _____ Telephone Number _____

14. Is anyone covered by Health or Hospital Insurance (including Medicare) now or in the last four months? Yes ___ No ___ If yes, what type of insurance? _____

Insurance Company _____ Policy Number _____ Premium \$ _____

15. Does anyone listed in #6 receive money from any source other than employment (such as from social security, child support, rental, pension, trusts, etc.)? If yes, enter the type and amount of income.

Name _____ Type _____ Amount \$ _____

Name _____ Type _____ Amount \$ _____

16. Does anyone receive cash or medical assistance from a State other than Illinois? Yes ___ No ___ If yes, give the name and state.

Name _____ State _____

17. Does anyone requesting assistance have a claim for damages or a lawsuit pending due to an injury? Yes ___ No ___

If Yes, who? _____

18. Does anyone pay Child Support or Alimony? Yes ___ No ___ If yes, Amount \$ _____ How often _____

Person who pays _____ For whom _____

19. Do you or anyone in your household have any assets such as bank account or trust fund? Yes ___ No ___

If yes, enter the name of the person, type of asset and the amount.

Name _____ Type _____ Amount \$ _____

Name _____ Type _____ Amount \$ _____

20. If your income or assets are more than is allowed, do you want to be enrolled for spenddown? Yes ___ No ___

READ AND SIGN THIS PAGE IF YOU WANT MEDICAL ASSISTANCE

I understand that by signing this application form, I consent to any investigation made by the Illinois Department of Human Services (DHS) or Department of Public Aid to verify or confirm the information I have given or any other investigation made by them in connection with my request for medical assistance.

I agree to inform DHS within 5 days of any change in my household's needs, income, property, living arrangements, school attendance, or address.

I understand giving false information or failure to provide the above information can result in referral for prosecution for fraud.

I understand that if I want someone else to apply for medical benefits for me, and I am mentally and physically able to, I must provide DHS with a written statement that gives the person permission to apply on my behalf. The statement must include the full name, address and phone number of the person applying for me. The statement must say that I am still responsible for the information that the person applying for me gives to the Department.

The information provided on this form will be subjected to verification by federal, state, and local officials. If any is found to be inaccurate, you may be denied the Medical Card and/or be subject to criminal prosecution for knowingly providing false information.

In addition, intentional misuse of the Medical Card in any of the following ways could lead to criminal prosecution with imprisonment and/or substantial fines.

Do not give false information or hide information in order to get a Medical Card.

Do not loan or sell your Medical Card.

Do not alter the Medical Card.

The Medical Card is to be used to meet medical needs only for services to those persons listed on the card.

I understand that if I am not satisfied with the actions taken on my application, I have the right to a fair hearing. I understand that I can ask for a fair hearing by calling 1-800-435-0774 or by writing to: 100 South Grand Avenue East, Springfield, Illinois 62762-0001.

If I am approved for medical assistance, I assign or give all my rights to collect medical support to the Illinois Department of Public Aid for as long as I receive Medicaid. I also understand that to receive Medicaid, I must cooperate with the Illinois Department of Public Aid and its agents to obtain medical support payments for members of my family in the assistance unit unless I am declared exempt for a good cause.

I understand and agree that by signing this form, I give the Department of Public Aid the right, without the necessity of any other assignment of claim or authorization, to recover under the terms of any private or public health care coverage of any amount for which I or a member of my household may be eligible.

By signing, I swear that the information given on the eligibility form is true and correct to the best of my knowledge and belief.

Sign your name: Applicant _____

Enter Today's Date Here _____

If someone helped you fill out this form or wrote on it, they must sign here or if you have made your mark instead of signing your name, one witness must sign below.

Signature _____

If application is initiated by someone else in behalf of the applicant, they must sign below:

Signature _____

Date _____

Relationship _____

Address _____

Phone _____

TABLE II-B
General Funds
Revenues by Source
(Fiscal Years - \$ millions)

Sources of Revenue	1996	1997	Estimated 1998	Projected 1999
Income Taxes.....	6,647	7,224	7,700	8,090
Individual.....	5,669	6,139	6,575	6,930
Corporate.....	978	1,085	1,125	1,160
Sales Taxes.....	4,798	4,992	5,240	5,480
Public Utility Taxes.....	833	872	910	990
Cigarette Taxes.....	300	300	350	400
Liquor Gallonage Taxes.....	58	57	56	56
Inheritance Tax.....	187	200	230	240
Insurance Tax and Fees.....	160	146	80	50
Corporate Franchise Taxes and Fees..	100	121	120	120
Interest on State Funds and Investments.....	134	144	180	170
Intergovernmental Transfer (IGT)		251	182	203
Other Tax Sources.....	254	194	213	337
Transfers-In:				
Lottery.....	594	590	565	570
Riverboat Gaming Taxes.....	205	185	170	227
Other Transfers.....	<u>328</u>	<u>309</u>	<u>330</u>	<u>370</u>
Total, State Sources.....	14,598	15,585	16,326	17,303
Federal Aid.....	<u>3,338</u>	<u>3,269</u>	<u>3,505</u>	<u>3,595</u>
Revenues (w/o short term borrowing).....	17,936	18,854	19,831	20,898
Short Term Borrowing.....	<u>200</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues.....	18,136	18,854	19,831	20,989